

Date: Friday, April 3 2020 05:23 PM
Subject: Deferrals
From: Paul Sheridan
To: jimmy.dempsey@flyfrontier.com;
CC: Fanning, Robert <robert.fanning@flyfrontier.com >; Spencer Thwaytes <spencer.thwaytes@flyfrontier.com >; Jane O'Callaghan <jane.ocallaghan@amck.aero >;
Attachments: image001.png

Dear Jimmy,

We have discussed the upcoming 5 A320neo deliveries further with our shareholder overnight.

Unfortunately their position has not changed. We have been authorised to grant you the 3 months' rent deferral requested, on 14 of the 15 aircraft leased by AMCK (excluding the A320neo delivered on 16th March), with repayment over the subsequent 4 months (at 6% interest), but strictly on the basis that we suspend the SLB for six months, by when we hope the market to return to more normal conditions.

As mentioned yesterday we are hearing on a daily basis that many airlines and lessors have agreed deferrals (and in some cases cancellations) and indeed Airbus has just today alluded to cutting its production in order to avoid a glut of undelivered aircraft.

We feel that a deferral of our SLB commitment till Frontier is the prudent course of action and hope that we can work with you on this basis to implement the much needed rent deferrals. While we are one step removed from the front line of the crisis, we have to manage both our cash position and our bank facilities and associated covenants and these tie our hands in what we can do in total.

Kind regards,

Paul

For the avoidance of doubt, this email is for discussion purposes only. This email and any subsequent discussions or correspondence we may have with you are not intended to create (and do not create) any binding obligations on the part of AMCK or any its affiliates.

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